1	Service/Postmark Date per ARM 38.2.313: Monday, May 15, 201					
2 3 4	DEPARTMENT OF PUBLIC SERVI	CE COMMISSION				
5	OF THE STATE OF M)				
	IN THE MATTER OF THE COMPLAINT OF JAMES T. AND ELIZABETH A. GRUBA; LEO G.	REGULATORY DIVISION				
	AND JEANNE R. BARSANTI; & MICHAEL W. AND FRANCES E. PATERSON, ON BEHALF OF	DOCKET NO. D2010.2.14 REPLY TO				
	THEMSELVES & OTHERS SIMILARLY SITUATED, Complainants.	NORTHWESTERN'S OPPOSITION TO MOTION TO				
	VS.	RECONSIDER PROCEDURAL ORDER NO. 7084e				
	NORTHWESTERN ENERGY, <u>Defendant.</u>	REQUEST FOR AN ORDER TO SHOW CAUSE				
6 7 8	Untimeliness argument. Northwestern	n contends Petitioner's motion				
9	was not timely filed. We've been through this	s before. The same untimeliness				
10	claim was made previously in this docket and when it was pointed out to the					
11	Commission's Attorney, Mr. Paine, that a pre-	evious document was timely				
12	filed, to his credit he had the Commission cha	anged its untimeliness ruling.				
13	We've also been through the Supreme	Court telling the Commission it				
14	had to follow its own rules concerning an am	had to follow its own rules concerning an amended complaint. The				
15	Commission must follow its own rule on the	timeliness issue here.				

- 1 Petitioner's motion was timely mailed with the Original to the Commission
- 2 and copies to recipients according to the rule. In addition, a complimentary
- 3 copy was emailed to everyone.
- 4 Petitioner's attorney specifically cited (at the top of the Motion) the
- 5 Rule providing Service by Mail of the Motion met the deadline. The
- 6 Commission is not at liberty to change its rules by interpretation of Order
- 7 No. 7084e. That is true especially in light of the fact that 10 days is a very
- 8 short time and service by mail to Colorado where Petitioner's attorney lives
- 9 eats up a goodly portion of that time. For example, in late afternoon, May
- 10 14th, Petitioner's attorney received the document NorthWestern mailed on
- 11 May 10th. In short, if the Commission decides to reject Petitioner's motion
- on the grounds of untimeliness, it will deny petitioners' due process.
- 13 **Correction of Order misstatements.** NorthWestern contends that in
- order to comply with ARM 38.2.4806, petitioners must base their petition on
- the grounds the original order was "unlawful, unjust, or unreasonable." OK
- so now instead of being polite in how petitioners phrased their request, we'll
- use the terms of art. It is "unreasonable" to base an order on a statement of
- the facts in the case that is just plain wrong. So petitioners want it corrected.

1	If this were a	proceeding in	ı Court,	under the	Montana	Rules	of Civil
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- 2 Procedure, a court would have no problem with such a correction.¹
- 3 ARM § 38.2.4806 also provides that if the Order should be changed,
- 4 the Commission may change it, specifically:

(3) Modification of original order. If, after such motion for
 reconsideration is filed, the commission is of the opinion that the
 original order or decision is in any respect unjust or unwarranted, or
 should be changed, the commission may abrogate, change or
 modify the same. [Emphasis added]

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reasonable.

Requests to brief. NorthWestern contends it should not have to brief the issues requested by petitioners on the basis that such a requirement shifts the burden of proof. Not so. NorthWestern is required to respond or deny certain things alleged in the complaint. Its answers are demonstrably evasive. Therefore, petitioner's request is merely to narrow legal issues involved in the resolution of the case or to clarify facts (that NorthWestern quibbles with about plaintiff's understanding of its procedure). If it is appropriate to require petitioners to narrow those issues by briefing them, then requiring NorthWestern to do likewise is fair, lawful, just, and

¹ MRCiv.P, Rule 60. Relief from Judgment or Order.

⁽a) Corrections Based on Clerical Mistakes; Oversights and Omissions. The court may correct a clerical mistake or a mistake arising from oversight or omission whenever one is found in a judgment, order, or other part of the record.

Regarding requests to brief paragraphs found in 3h. It is

- 2 understandable why NorthWestern is reluctant to admit that it has no good
- 3 rationale for not allowing use of its poles so that communities with the
- 4 inclination to switch to LEDs cannot do so conveniently. Petitioners have
- 5 met their burden of asserting that the US Supreme Court requires otherwise.
- 6 See Ottertail Power Company v. US, 35 L.Ed.2d 359, 93 S.Ct. 1022, 410
- 7 U.S. 366 (1973) and a lower court ruling in *Ottertail Power Co. v. FPC*, 536
- 8 F.2d 240 (1976) and their progeny. Therefore, the burden has shifted to
- 9 NorthWestern to justify its errant behavior.
- 10 **Regarding requests to brief paragraphs found in 3i.** Likewise, the
- burden has shifted to NorthWestern to respond forthrightly to Paragraph 25
- of the Complaint which pled "Montana law requires NorthWestern to use the
- original cost depreciated method of calculating the value of utility property
- placed into its utility rate base." NorthWestern's answer to that statement
- was, "NorthWestern states that the law speaks for itself."
- If NorthWestern believes that in "speaking for itself," the law does not
- 17 require NorthWestern to use the original cost depreciated method of
- calculating the value of utility property placed into its utility rate base, what
- 19 authority allows NorthWestern to use a different method for calculating the
- value of utility property placed into its utility rate base?

1	For gosh	sakes, i	f NorthWestern	believes	another	method	of va	luing
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- 2 utility property is allowable in the way it treats utility property, the
- 3 Commission and parties ought to know about it before being blind-sided by
- 4 application of a different method at trial.
- 5 **Regarding requests to brief paragraphs found in 3j & 3n.** Similar
- 6 situations arise whenever NorthWestern says "the law speaks for itself." It is
- 7 reasonable to ask NorthWestern to agree to what the law says (as is simply
- 8 stated in the complaint) or in the alternative to enlightening the Commission
- 9 and litigants about some other interpretation. To not require NorthWestern to
- enlighten us meets the ARM requirement of being unjust and unreasonable.
- 11 **Regarding requests to brief paragraphs found in 3k.** As to
- NorthWestern's deflecting the allegation that "A utility or other entity may
- not avoid reasonable regulation by contract," by asserting "NorthWestern
- does not believe a response to this paragraph of the Complaint is required as
- it is not an allegation of fact, but a legal conclusion. To the extent that the
- 16 Commission deems an answer to this section of the Complaint necessary,
- 17 NorthWestern is without sufficient knowledge to admit or deny the
- statement made and therefore denies the same."
- 19 It is curious that with all the fine legal talent at its disposal,
- 20 NorthWestern would be without sufficient knowledge to know whether "A

- 1 utility or other entity may not avoid reasonable regulation by contract." And
- 2 if it is a legal conclusion at issue, as NorthWestern asserted, then it is
- 3 NorthWestern's burden to brief it.
- 4 **Regarding requests to brief paragraphs found in 3l.** Plaintiffs have
- 5 done a word search on all street lighting contracts in Billings available to
- 6 them. On the basis of that and their knowledge of NorthWestern tariffs
- 7 alleged that NorthWestern's street lighting contracts with Billings do not
- 8 contain words relating to rent, etc. NorthWestern responded that some
- 9 contracts did not contain those words but did not know if others might.
- 10 Therefore it is reasonable to ask NorthWestern to point out for the
- 11 Commission any orders or tariffs where NorthWestern has been granted
- permission to lease or rent street lights that it owns or to admit that all of its
- contracts do not contain those words. NorthWestern and its new head who
- previously led this Commission, should know of any such tariff. If none
- exist, we can deduce from that fact that any contract wording that includes
- the words "rent" etc. are contracts without proper authorization.
- 17 Regarding requests to brief paragraphs found in 3m.
- NorthWestern's answers to the complaint quibble with Petitioner's
- 19 understanding of how the ownership charge is calculated and applied.
- 20 Briefing this issue gives NorthWestern the opportunity to enlighten the

- 1 Commission and litigants on this critical point. It does not shift the burden; it
- 2 merely clarifies NorthWestern's answers in a way that helps to put everyone
- 3 on the same page. This is information that NorthWestern would know more
- 4 about than anybody.
- Rather than admit its overcharge, NorthWestern would undoubtedly
- 6 prefer to keep everyone in the dark about the mechanics surrounding its
- 7 ownership charge. That may have worked with previous Commissions, but
- 8 hopefully this one will want to know what is really going on.
- 9 Request for an Order to Show Cause. The detailed complaint in this
- case is sufficient to support an order to show cause or other expedited
- proceeding on a temporary rate reduction to stop the approximately
- \$180,000 a month overcharge being extracted from Montanans by
- NorthWestern. The utility's due process will be preserved by an order to
- show cause hearing. Petitioners have been seeking a temporary rate
- reduction for years. Now it is time for NorthWestern's customers to have
- due process as well!
- 17 Respectfully submitted,
- 18 _____ Monday, May 15, 2013
- Russell L. Doty, Attorney at Law, Montana State Bar # 2472
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I, Russell L Doty, certify that pursuant to ARM 38.2.313 on May 15, 2013, an accurate copy of the foregoing Reply to NorthWestern's Opposition to Motion to Reconsider Procedural Order NO. 7084e in Docket No. <u>D2010.2.14</u> was served upon the parties listed below in the manner provided:

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